



ST. CHARLES  
S I N C E 1 8 3 4

## AGENDA ITEM EXECUTIVE SUMMARY

Title: Resolution of Declaration of Official Intent Regarding Certain Capital Expenditures to be Reimbursed from Proceeds of an Obligation

Presenter: Chris Minick, Finance Director

*Please check appropriate box:*

<input type="checkbox"/>	Government Operations	<input type="checkbox"/>	Government Services
<input type="checkbox"/>	Planning & Development	XX	City Council (02/07/2011)
<input type="checkbox"/>	Public Hearing	<input type="checkbox"/>	

Estimated Cost:	\$785,000	Budgeted:	YES	XX	NO
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If NO, please explain how item will be funded:

### Executive Summary:

During discussion of the Enterprise Resource Planning (ERP) project, there was discussion of the financing of the project during the 2011-2012 fiscal year. Several options were presented including the prospect of utilizing bond proceeds to finance the remaining costs of the project.

Since the project is ongoing and to preserve the City right to utilize bond financing for the remainder of the project, staff is recommending passage of a resolution of intent to reimburse any City funds expended in advance of a potential 2011 General Obligation Bond Issue.

It is important to note that passage of this resolution does NOT obligate the City to issue any bonds, it merely preserves the right to issue bonds and reimburse ourselves from those proceeds for any "general" City funds utilized for the project. In other words it is a prudent step to take to preserve the City's right to utilize bond financing for the remainder of the project, if that is how we determine we would like to proceed.

**Attachments:** *(please list)*

**Resolution**

**Exhibit A**

**Recommendation / Suggested Action** *(briefly explain):*

**A motion to adopt a Resolution of Declaration of Official Intent Regarding Certain Capital Expenditures to be Reimbursed from Proceeds of an Obligation**

*For office use only:*

*Agenda Item Number:* 1A

**City of St. Charles, Illinois**  
**Resolution \_\_\_\_\_**

**Resolution of Declaration of Official Intent  
Regarding Certain Capital Expenditures to be  
Reimbursed from Proceeds of an Obligation**

**Presented and Passed by the  
City Council \_\_\_\_\_**

WHEREAS, the City of St Charles, Illinois (the "*Issuer*"), has developed a list of capital projects (the "*Projects*") described in Exhibit A hereto; and

WHEREAS, all or a portion of the expenditures relating to the Projects (the "*Expenditures*") (i) have been paid within the sixty days prior to the date of this Declaration or (ii) will be paid on or after the date of this Declaration; and

WHEREAS, the Issuer reasonably expects to reimburse itself for the Expenditures with the proceeds of an obligation:

NOW, THEREFORE, Be It and It is Hereby Declared by the City of St Charles of Kane and DuPage Counties, Illinois, in the exercise of its home rule powers, as follows:

Section 1. The Issuer reasonably expects to reimburse the Expenditures with proceeds of an obligation.

Section 2. The maximum principal amount of the obligations expected to be issued for the Projects is not in excess of \$800,000.

Section 3. All actions of the officers, agents and employees of the Issuer that are in conformity with the purposes and intent of this Declaration, whether taken before or after the adoption hereof, are hereby ratified, confirmed and adopted.

Section 4. This Declaration is made pursuant to Treasury Regulations Section 1.150-2.

Section 5. This Declaration shall be filed immediately in the office of the City Clerk of the Issuer.

Resolution \_\_\_\_\_

Page 2

**PRESENTED** to the City Council of the City of St. Charles, Illinois, this 7th day of February 2011.

**PASSED** by the City Council of the City of St. Charles, Illinois, this 7th day of February 2011.

**APPROVED** by the Mayor of the City of St. Charles, Illinois, this 7th day of February 2011.

\_\_\_\_\_  
Donald P. DeWitte, Mayor

ATTEST:

\_\_\_\_\_  
CITY CLERK

COUNCIL VOTE:

Ayes:

Nays:

Absent:

Abstain:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

DATE: \_\_\_\_\_

## **EXHIBIT A**

### **DESCRIPTION OF CAPITAL PROJECTS**

Acquisition, installation, and configuration of City wide Enterprise Resource Planning (ERP) application: The project will include the purchase and installation of computer software and hardware as well as professional services to properly set up and configure the software package.